

NEWS FROM ED MARKEY

United States Congress

Massachusetts Seventh District

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REP. MARKEY: NEW ADMINISTRATION FUEL ECONOMY STANDARDS 'ALL TALK, NO ACTION'

Bush Administration Rearranges the Deck Chairs on a Sinking Energy Policy, American Consumers Drowning with Gas Price Hikes

Washington, DC: Representative Edward J. Markey (D-MA), a senior Member of the House Energy and Commerce Committee, today made the following statement in response to an announcement that the Bush Administration plans to change the way in which the fuel economy level for light trucks is calculated:

"Today's announcement does next to nothing to help America's drivers, who are now paying as much as \$2.61 a gallon for gasoline," said Rep. Markey. "Instead of closing gas-guzzling loopholes and calling for meaningful increases in fuel economy standards, the Bush Administration has simply rearranged the deck chairs on its already sinking energy policy, meanwhile Americans are drowning with record gas prices."

The Bush Administration today announced that it was doing away with the current Corporate Average Fuel Economy (CAFE) standard system for light trucks and SUVs and replacing it with a size-based system that would reclassify these vehicles into 6 different categories, while also calling for an insignificant and unenforceable CAFE increase for these vehicles by 2010:

- The proposal does nothing to increase CAFE standards for cars and proposes only a nominal increase for SUVs and other light trucks, even though expert reports have concluded for years that significant improvements are technologically feasible at no cost to vehicle performance or safety.
- The proposal exempts the gas-guzzling Hummer and other light trucks from having to make even these meager fuel economy improvements.
- The proposal eliminates the fleet-wide CAFE standard requirement for SUVs and other light trucks, so automakers could game the new system by simply building larger and less fuel-efficient models without having to alter the composition of their fleets to ensure that the insignificant increase is achieved in the first place.
- The proposal leaves the 'dual fuel loophole' in place, allowing automakers to claim CAFE credits for building vehicles that could run on cleaner alternative fuels even though almost all of them use regular gasoline.
- An underlying assumption made while developing the new system was that gas would cost \$1.50 over the life span of the new standards – an absurd assumption considering that the price of gas is approaching \$3.00/gallon.

During Committee, Floor and Conference action on the Energy bill, Rep. Markey offered amendments that would have achieved a meaningful increase in CAFE standards. The provisions, aimed at reducing the U.S. dependence on foreign oil, faced significant opposition from the automotive industry and were defeated in the House of Representatives. For more information regarding the Rep. Markey's work in the area of energy and the environment, please see www.house.gov/markey.

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